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Thailand

Grain and Feed

Weekly Rice Price Update

2008

Approved by:

Corey Pickelsimer, Agricultural Attaché
U.S. Embassy

Prepared by:

Ponnarong Prasertsri, Agricultural Specialist, Maysa Kunasirirat, Agricultural Assistant

Report Highlights:

Export prices continued to decline due to limited foreign demand, except for parboiled rice. Current demand for parboiled rice export has kept white rice prices afloat as millers continue to secure white rice paddy for parboiled rice production. However, most outstanding shipments of parboiled rice are expected to be fulfilled within the next couple of weeks.

Includes PSD Changes: No
Includes Trade Matrix: No
Trade Report
Bangkok [TH1]
[TH]

Indicative Prices (Week Ending Aug. 25):

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	810	-	-	-	850	780	-	813	820
WR 100 B	660	-	720	680	680	676	650	678	680
PB 5%	-	-	-	-	710	690	670	690	685
WR 5%	640	-	710	670	660	667	640	665	667
WR 10%	-	-	-	-	-	661	-	661	-
WR 15%	-	-	-	-	-	650	-	650	-
WR 25%	-	-	-	-	-	640	-	640	650
WR 35%	-	-	-	-	-	-	-	-	-
A 1 SUP	405	-	-	-	480	445	450	445	441
A 1 SPEC	-	-	-	-	-	-	-	-	-
Source: Average actual prices received from exporters, Exchange rate: 34 baht/U.S.\$									

Market Tone

Export prices continued to decline due to limited foreign demand, except for parboiled rice. Parboiled rice prices increased reflecting on-going shipments of outstanding contracts to African countries, particularly to Nigeria and Benin. Current demand for parboiled rice export has kept white rice prices afloat as millers continue to secure white rice paddy for parboiled rice production. However, most outstanding shipments of parboiled rice are expected to be fulfilled within the next couple of weeks. New enquiries slowed as foreign buyers are now awaiting the removal of the Indian rice export ban in October. India's return to the market will undoubtedly increase downward pressure on Thai rice prices. Presently, farm prices of Thai white rice are 3,000 baht/ton (\$88/MT) lower than intervention prices, as compared to 1,000-2,000 baht/ton (\$30-60/MT) lower in the beginning of this month. To date, the Government has bought approximately 1.8 million tons of paddy, and is expected to purchase an additional 200,000 tons by the end of the program on September 30, 2008.

The following are the reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	%
JUN 22	159,051	132,930	4,291	2,494	72.0
JUN 29	212,103	190,391	4,503	2,579	74.5
JUL 6	168,072	179,923	4,671	2,679	74.3
JUL 13	171,699	177,731	4,843	2,784	73.9
JUL 20	178,180	182,513	5,021	2,877	74.5
Jul 27	182,769	175,180	5,204	2,980	74.6
Aug 3	101,488	158,534	5,305	3,062	73.3
Aug 10	122,027	146,116	5,427	3,165	71.4
Aug 17	125,268	132,888	5,553	3,254	70.6
Aug 24	155,649	126,108	5,708	3,355	70.2

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Unofficial exports (excluding fragrant rice) for Aug 18-22, 2008 totaled 155,649 up 30,381 the previous week, and up 29,541 from the four-week moving average of 126,108 tons. Exports during Jan. 1 – Aug 24, 2008 totaled 5,708,344 tons, as compared with 3,354,534 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1 – Aug 8, 2008, amounted to 7,035,591 tons, up 43.6 percent from 4,899,505 tons in the previous year.

End of report